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28 NOV 1962

FISCAL DIVISION

POLICY AND PROCEDURE MEMORANDUM NO. 11

A. POLICY

Beginning 1 December 1962 property procurement obligations will not be recorded individually by the Accounting Branch within the cost centers pertaining to the Office of Logistics. The exception to the aforementioned statement will be the recording of contractual obligations which will be obligated individually as heretofore accomplished.

B. PROCEDURE

1. Fiscal Processing Branch

(a) A file containing property procurement purchase orders relating to the Office of Logistics will be maintained with cost-center identification.

(b) As and when received, invoices and receiving documentation will be physically related to these purchase orders for the purpose of initiating the payment process.

(c) On the morning of the first working day of each month the FFB will make available to members of the Accounting Branch the aforementioned file which they will utilize in preparing summary obligation information for financial reporting purposes.

(d) After the summary obligation information has been accomplished the process illustrated in sub-paragraph (b) may be continued.

2. Claims Branch

(a) Documents received from the FFB will be processed for payment in the normal manner, including the preparation of the voucher abstract (Form No. 194).

(b) After vouchers, etc. have been audited and purchase orders have been classified as completely or partially liquidated, those purchase orders partially liquidated will be separately returned to the FFB.

(c) The Branch will be responsible for assuring that all payments have prior obligation approval by a properly designated approving officer.

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(d) On the morning of the first working day of each month the Claims Branch will make available to members of the Accounting Branch all property procurement purchase orders on hand relating to the Office of Logistics for the purpose of obtaining summary obligation information. Such orders will be related to unpaid vouchers on hand.

3. Accounting Branch

(a) Purchase orders will not be individually recorded against Office of Logistics cost centers.

(b) Purchase order obligations will be summarily recorded from inventory recapitulation sheets as of the end of each month.

On the morning of the first working day of each month one or more members of the Accounting Branch will take inventory of the subject unliquidated purchase orders located within the files of the FPB and the Claims Branch. The inventory sheets will indicate the following information which will be abstracted from the purchase orders.

1. Cost center numbers
2. Purchase order numbers
3. Dollar amounts
4. Object-classification related to each purchase order (800 and 900), and
5. Total of all items, by object class

(c) From the inventory summaries of sub-paragraph (b) the Accounting Branch will obligate each identified cost center with the summary dollar amount of object classes 800 and 900 as of the end of each month. These obligated amounts will be reversed as of the first working day of the subsequent month.

(d) Each month's inventory listing will be prepared in duplicate. The carbon copy will be attached to the allottees copy of the allotment ledger sheet and forwarded therewith in the normal fashion.

The listing will allow the B & F Office of Logistics to identify with its records unliquidated obligations.

(e) Expenditure recording in the Allotment Ledger will generally follow the same procedure except that liquidations of obligations will not be posted.

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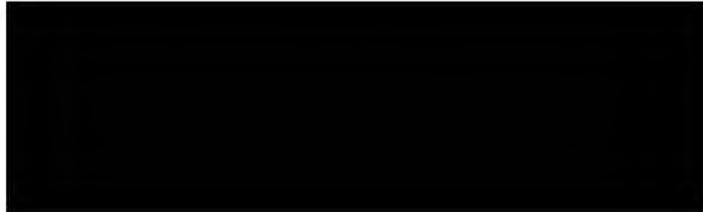
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C. GENERAL

This change of policy will improve and expedite the publishing of allotment reports necessary for good financial guidance.

It is estimated that 2000 - 3000 machine postings will be saved each month; also, documentary flow relating to the payment of vendors invoice will be greatly improved and hastened.

If it should be necessary to amend any of the foregoing procedures they will be published as amendments to Policy and Procedure Memorandum No. 11.



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